

**WSDOT/ACEC-WA Project Delivery Team**  
**June 3, 2005**  
**Lakewood Maintenance Facility**  
**Meeting Minutes**

**Review Meeting Agenda**

Note: WSDOT will provide lunches for this and future meetings.

- Consultant Agreements - WSDOT will rely heavily on the consultant community to help deliver the current transportation package.
- Cost vs. delivery time needs to be revisited.
- Take another look at the original brainstorm list in light of current project delivery issues.
- Emphasize the front end (design) of projects – before bid.

**Consultant Agreements**

UCO has about half of the dollar volume coming out of this legislative session.

Mike Kane handles the statewide agreements; Doyle Dilley handles UCO.

Some of the on-call agreements have been relaxed and may be expanded by supplement, if needed.

UCO – Public Involvement: We are looking nationally for firms to sell WSDOT programs to the public.

Engineers: We are looking for 17 different categories of specialists. These will be fit into one submittal. We need to find national and international expertise in areas we haven't developed expertise in yet.

Design-build will be a big part of our method of delivery. We need to explore what has been done at the national and international level.

Other areas

Three separate risk assessment areas; CEVP, CRE, CRA

Another risk area – design-build

Tolling

Environmental areas – general/usual; context sensitive approach; architects familiar with context of the community, including the view on both sides of the fence (freeway and community side).

Hydraulics – alternatives where we have a bigger scope and need to move rapidly. RFPs for design-build that address this need to fit all of these areas in the definition so the contractors know what they're bidding on.

UCO will use the statewide agreements for design and traffic studies; their own agreements for environmental, public involvement, etc.

We gave up on the non-sub concept. Our people want the primes to manage subs. Some consultants are more comfortable being subs. There are some B&O tax issues.

Observation: The comprehensiveness of all the different on-calls and categories, and bringing in separate specialties we never dreamed of, puts an extra demand on the program and the project.

Question: Because of all the factors and the large program to deliver with a limited consultant world, is there any relaxation or different view of how a consultant may or may not be precluded from other work. What lines can and cannot be crossed to make the consultant community more flexible in helping to deliver the program?

We are starting to look at the concept of owner/agent; having consultants working at the executive level and on staff. We are going to ask the consultant community to come in and give us some ideas.

We will need to use more of the on-call process. We have the rates set already, so the tasking can be done quickly. Part of the charge is that the work is spread out more and is getting done more quickly. We are expanding the use of the on-call agreements exponentially.

If you are doing the RFP can you work on the project?  
There is no rigid statute except with regard to NEPA.

If you are preparing an RFP for a project, at what point are you not able to do design-build? There may not be any relaxation, but we will be looking at how far the firm went. If you have helped us make strategic decisions that give you inside information on how to bid the project, then that precludes your firm.

Can regions use UCO agreements? Is there some limitation? Statewide on-calls is an attempt to respond to the needs of the regions. They will probably be advertised separately from the on-calls. In the past, the needs of the regions were met – they were doing work in-house and filling in with on-calls. The regions are asking for local rosters. We thought there ought to be local rosters open all the time to encourage local firms to be available. This program was dropped because it wasn't used. We are discussing starting it up again so regions can manage their needs at that level and take it out of Headquarters. Should it be handled at Headquarters or in the regions? This is an area of debate that needs to be pursued further.

#### **ITEM TO ADDRESS: Local on-calls**

This is the first time we have actually advertised for construction management in the consultant community. The same firms that are on the design side are the ones bringing

people forward as construction managers. Maybe we need to get more word out that we are looking for consultants in the construction management area. It's a good possibility that construction management firms don't watch our ads.

When a paver bid includes putting plan specs together, what is our involvement in that consultant relationship? We are talking to asphalt pavers, the AGC, and consultants about how we do this.

We have to report the results in the construction administration area to the legislature. We have to give them an annual report on what we are doing in these new areas.

We are looking for firms who can do both design and construction administration on some jobs; other jobs will have separate consultants for each. We do this on project-specific contracts, but we haven't done it on on-calls.

There is a different pricing structure for design and construction management. This needs to be clarified. There are lower overhead rates for field related work vs. design.

WSDOT is looking hard at what's appropriate regarding commercial pricing with certain specialty consultants. Commercial pricing is a billing rate, not an overhead rate. No labor/overhead fee is attached to it. If there is a commercial rate established, do you need to go through competition?

The new on-calls and RFPs are going to give us a different level/type of consultant than we've had traditionally. We have to look at what is included in the cost per hour. We are restricted initially from considering cost. We are supposed to have the best qualified firm for the particular job. If the budget won't support the individual's pricing, then we have to move on. Design-build muddies this some.

The department is in the throes of redefining its business strategy.

There is some value to making selections on a firm's ability to deal with us and locals. How do you choose the right person and do it in a way that is fair to everybody if you have a list of 400 on-calls? We are now delegating to people who haven't managed consultants and don't know the consultant community; how do we support /help them make these decisions? We have regions putting consultant offices in their regions, but they haven't managed consultants before. It will be incumbent on the projects to come and ask Consultant Services. Consultant Services will recommend several. They will talk to the different contact points for the firms suggested and make their selection that way. This is what is happening at UCO – how will it happen statewide? We need to talk to Mike Rice about this.

Eastern Region uses Karlene Loran as a consultant liaison resource.

The definition of an on-call roster is changing. It is really just a roster – not a short-term, small-task approach. The old on-call was a minor tool WSDOT used from a consultant perspective – now it is a major tool.

Now we will have a list of on-call agreements and consultants. Does this list only have the big guns, or are there some of the small contractors available as well? How do we communicate the change that we need to have flexibility to supplement staff in the regions? If we want to supplement with on-calls, we need to have smaller firms available too. Firms who weren't getting work quit submitting. Now we have to get the word out somehow that we're looking for local firms.

ACEC can help get the word out at their monthly lunch, in their monthly newsletter, and on their website. ACEC has a role in educating some of the firms that haven't put in for these because they haven't been awarded contracts in the past.

Finding the people to deliver the projects is a major issue. The larger firms need to be willing to call the local firms as subconsultants.

If we are out for a specific ad, we have to be careful in sending something out to all the firms we know. We have to be careful because we may exclude some. We need to advertise in the local papers, etc.

The whole RFP process is 3 months or more to when you bring the consultant on-line. You have to let them know what they are going to do.

The next logical step in the broad picture is going to a prequalification basis. A firm submits once and gets prequalified. Then when work comes up, establish who is going to do it. We don't have that yet. It takes a considerable amount of work to make the switchover. Currently, each time a firm submits, there is a long process to research them.

Even with consultants doing the work, you have to have people to manage the consultants. We need to find and provide the right training to WSDOT staff on managing consultants.

**Action Item: Karl Winterstein and Doyle Dilley will draft a recommendation on co-locating training. This recommendation will deal with training for managing consultants, contracting with consultants, on-the-job training, etc.**

Handouts: Information from WSDOT Project Development Engineers Conference.

The team discussed on-calls vs. agreements. At what point can the consultant start incurring cost and manage the risk that those costs will be reimbursed. If you have an agreement, there is a way to get going.

It's not a law that says we go to the AG – it's an internal policy. We can affect policy. The risk needs to be managed. Policy is in the Consultant Services Manual.

We don't want to go to the AG for a change in date and dollars. Let's not make a recommendation to make it happen – just do it!

**Action Item: Rick Smith talk to Mike Rice regarding changing the internal policy of going to the AG for supplements with revisions to time and dollars.**

On all supplemental agreements, even changing other things, decide what needs to go to the AG and what doesn't. Talk to Tom Swofford. Develop a standard supplemental agreement and/or boilerplates that are already approved.

**Action Item: Keith Metcalf and Mike Horton will research standard supplemental agreements and boilerplate agreements.**

For the next few months, this team should focus on what we have direct control over (project delivery), but keep an eye on the other things that are happening.

**Action Item: Rick Door will draft a recommendation for expanding and advertising to statewide on-call consultants. The recommendation is to reopen statewide on-call agreements and have ACEC encourage all members to sign up. We want consultants who didn't think they had an opportunity before to know they have the opportunity now. Expand it to include instruction. Get this to Duncan Findlay and ACEC will get it out to their members. Don't wait until July.**

**Action Item: With regard to opening the roster and keeping it open, Rick Smith will find out when it can be open and why they open and close it.**

#### **Next Meeting Agenda**

- Bring draft of recommendations for agreements and co-locating training.
- Report back on on-call agreement roster.
- OCIP for large UCO projects.
- Tax-exempt the design part of design-build